

# HOW IDAHO TAXES DIESEL FUEL

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1. Idaho fuels tax applies to all **undyed diesel**.

- Undyed diesel fuel is not dyed and has a low sulfur content.
- It may be used in all licensed motor vehicles and unlicensed equipment.
- The fuels tax rate is 25¢ per gallon.

2. Idaho fuels tax does not apply to **dyed diesel**.

Dyed diesel is colored red and has either a **high** or **low** sulfur content.

- **High sulfur** dyed diesel may be used only in unlicensed equipment, stationary engines, combines, tractors, etc. EPA regulations prohibit its use in motor vehicles.
- **Low sulfur** dyed diesel may be used in stationary engines, combines, tractors, equipment and other vehicles that are not required to be licensed. It may also be used in vehicles operated exclusively by state or local government.

3. Diesel in storage tanks:

If you have only one diesel storage tank and use the fuel in both taxable and nontaxable ways, you must buy **taxed undyed diesel**. When you use tax-paid diesel fuel in nontaxable ways, you may apply for an Idaho fuels tax refund by filing Idaho Form 75.

4. Sales tax on dyed diesel:

Idaho requires the seller to collect sales tax on dyed diesel fuel, unless the sale is for resale or qualifies for an exemption under Idaho sales tax laws.

## Questions?

Call your nearest Tax Commission office:

Boise (208) 334-7660

Coeur d'Alene (208) 769-1500

Idaho Falls (208) 525-7116

Lewiston (208) 799-3491

Pocatello (208) 236-6244

Twin Falls (208) 736-3040

Or call toll free 1-800-972-7660

Hearing impaired callers (TDD) 1-800-377-3529